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UNCLAS SECTION 01 OF 02 RANGOON 000952

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STATE FOR EAP/MLS  
USDOC FOR 4430/MAC/ASIA/OPB/VLC/HPPHO  
STATE FOR USAID/DCHA/OFDA KY LUU, ROBERT THAYER, TOM ROGERS  
STATE FOR USAID/DCHA/OFDA DAA GREG GOTTLIEB  
BANGKOK FOR OFDA SENIOR REGIONAL ADVISOR TOM DOLAN  
KATHMANDU FOR OFDA REGIONAL ADVISOR WILLIAM BERGER  
GENEVA FOR USAID NANCY KYLOH

E.O. 12958: N/A

TAGS: [SENV](#) [KSCA](#) [TBIO](#) [EAID](#) [VM](#)

SUBJECT: BURMA - HUMANITARIAN DISASTER DECLARATION

REF: A) RANGOON 901 B) RANGOON 874

¶1. This is an action cable. Please see para 4.

¶2. Summary. The current political situation in Burma has exacerbated the ongoing humanitarian crisis, particularly among women and children in Burma. 2007 UNICEF figures estimate that more than 35 percent of children under five were malnourished. NGOs estimate this rate is closer to 50 percent in some areas. The unexplained fuel price hike on August 15 triggered an increase in commodity and transportation prices. A majority of the Burmese people earn less than \$1/day, and spend more than 75 percent of their income on food. Declining purchasing power and the rising costs of basic needs, estimated to be increasing 23 percent per month, have caused the level of malnutrition to rise throughout the country, particularly in Rakhine State and Irrawaddy and Magway Divisions. In response, CDA Shari Villarosa has declared a humanitarian disaster and requests \$50,000 in OFDA assistance. End Summary.

#### Disaster Declaration

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¶3. Following an assessment by the Mission Disaster Relief Officer (MDRO), I am declaring a humanitarian disaster in Burma under my authority as Chief of Mission. The Mission has confirmed that a humanitarian crisis exists, as prices of basic commodities continue to rise, access to foodstuffs becomes more limited, and more Burmese children suffer from malnourishment. Further, I confirm that it is in the interest of the United States to provide this assistance to Burma.

¶4. Action Request: In consultation with the U.S. Office of Foreign Disaster Assistance (OFDA) Senior Regional Advisor for Asia, Embassy Rangoon requests \$50,000 under the Ambassador's authority to support emergency relief efforts in the worst affected areas of Burma, including Rangoon. Post has selected Save the Children to receive \$50,000 in emergency assistance and requests a fund cite be established for the transfer of funds. End Action Request.

#### Situation in Burma

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¶5. The Burmese Government, without prior warning nor an explanation, more than doubled fuel prices on August 15. This action triggered an immediate increase in commodity and transportation costs (Ref A). The Ministry of Foreign Affairs recently acknowledged that the majority of Burmese earn less than a

dollar a day, but claimed that it was enough for them to live on. The reality is that urban workers on average earn less than \$30/month, and those living in rural areas earn even less. According to the UNDP, the Burmese spend more than 75 percent of their income on food expenditures. Embassy Rangoon estimates inflation in Burma at more than 57 percent. The kyat continues to depreciate against the dollar, falling 7.3 percent since August 15. While the people's purchasing power continues to erode, the cost of basic needs in Burma increases at an average of 23 percent, according to the International Committee for the Red Cross.

¶16. According to 2007 UNICEF figures, 35 percent of children under the age of five are malnourished. Seven percent of children are severely underweight. International NGOs working in Burma estimate that this rate is closer to 50 percent in some regions, although concrete figures are not available.

¶17. There are many reasons for the increase in malnutrition throughout Burma. An unfortunate cycle of drought and flood at the beginning of the rainy season damaged gardens, food stocks and paddy seedlings. More than 580,000 acres of rice and paddy crops were affected, particularly in areas including Mandalay, Sagaing, East and West Bago, Magwe, Irrawaddy, and Rangoon Divisions. Due to the increase in fuel prices, higher costs of production, and lower output, the price of rice has risen 16 percent since August 15. Transportation costs have increased, and were passed to the consumer through higher commodity prices. Additionally, in late September, due to the government response to demonstrations in Rangoon and Mandalay, the World Food Program (WFP) was unable to deliver food rations throughout the country. The government on October 1 lifted restrictions on the movement of food, allowing the WFP to resume food shipments.

#### Government and International Response

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¶18. Beginning on August 16, the United Solidarity Development Association (USDA) and the Rangoon City Development Council, both backed by the Burmese Government, began to sell rice at 550 kyat (\$0.40) for 2 kilograms to low income groups in Rangoon. However, this rice was not fit for consumption. This program only targeted the people of Rangoon, and the GOB has failed to adequately address the needs of the millions of Burmese living outside of the city.

¶19. Local and international NGOs continue to address the problem of malnutrition in Burma. World Food Program, operating in collaboration with 22 UN and NGO partners, provides food assistance to vulnerable people in Myanmar. Action Contre La Faim Myanmar (ACF), working with UNHCR, works in Rakhine State, running clinics to prevent, detect, and treat severe malnutrition in women and children (Ref B). UNICEF runs a program to assist women and children on health issues, including promoting and extending access to safe drinking water, and improving basic health services.

#### Recommendations

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¶10. OFDA should support emergency activities in the worst affected areas of Rakhine State and Magway and Irrawaddy Divisions, focusing on providing food to malnourished women and children. Post has selected Save the Children Myanmar to be the recipient of \$50,000 in emergency assistance and will communicate with OFDA on the transfer of funds. Clearly, opportunities for additional assistance exist. We will coordinate further with OFDA regarding additional funding.

VILLAROSA